SCOTT M. MATHESON Governor

GORDON E. HARMSTON

Executive Director,

NATURAL RESOURCES

CLEON B. FEIGHT

Director



STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING 1588 West North Temple Salt Lake City, Utah 84116 (801) 533-5771

January 22, 1980

OIL. GAS. AND MINING BOARD

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Daniel

REGISTERED - RETURN RECEIPT REQUESTED

Mr. William T. Sorensen Vice President 5-M Corporation P.O. Box 752 Hurricane, Utah 84737

Re: Reclamation Surety Silver Reef Mine ACT/053/002

Dear Mr. Sorensen:

If you will recall, during the February, 1979 Executive Meeting of the Board of Oil, Gas and Mining, the Board decided on a figure of \$1125/acre for reclamation surety for the Silver Reef Mine. Receiving no response from you since last February relative to this decision, the question has arisen as to your intention to post said surety.

Enclosed you will find a memo dated February 8, 1979 showing your total amount of surety to be \$84,375.00.

As you know you are required by the Utah Mined Land Reclamation Act to post reclamation surety in order to continue mining operations. Any mining or development activity proceeding at this time is considered in violation of this Act.

The Division would appreciate your immediate response so that no further action will be necessary in this matter and so that the Division may proceed in the approval process for this operation.

Sincerely,

RONALD W. DANIELS COORDINATOR OF MINED

LAND DEVELOPMENT

RWD/sp

enc: memo dated 2/8/79